

INSIDE: Focus on Manufacturing – Part III • Best States to Start a Business – PA Ranks #4! • Attitude of Gratitude

ROUTE 422

BusinessAdvisor

DECEMBER 2022

Serving the Route 422, 100, 202, and Route 30 Corridors in Montgomery, Chester and Berks Counties.

Herbein

CPAs + Advisors

*Going Beyond
the Numbers
to Help Clients
Succeed with
Confidence*



**Herbein CPAs & Advisors – Matt Cappelletti,
Carl LaMastra, and Michael Cross**

Presorted
U.S. Postage
PAID
Pottstown, PA
Permit No. 95

CHANGE SERVICE REQUESTED

P.O. Box 334
Pottstown, PA
19464-0334

GET IT ONLINE 422BIZMAG.COM



PHOTOS BY STEVE LADNER PHOTOGRAPHY

Herbein's Pottstown Team

Herbein

CPAs + Advisors

Going Beyond the Numbers to Help Clients Succeed with Confidence



Cynthia Smith and Matt Cappelletti

Ask Herbein Managing Partner David W. Stonesifer, CPA why he is striving to make Herbein + Company, Inc. (Herbein) a Top 100 firm in the country and the answer may surprise you.

"Our growth is a direct reflection of our ability to deliver services that provide exceptional benefits to our clients. It would be easy to provide the same accounting, tax, and advisory services, but that's not the best thing for our clients in today's competitive business environment."

In 2022, Herbein celebrated 50 years of helping clients succeed with confidence. Founded by the late Carl Herbein in 1972, Herbein is now among the largest 110 firms in the United States.

Headquartered in Reading, PA, Herbein now has 13 offices, with a geographic reach that extends from

Marlton, NJ to Pittsburgh to Chagrin Falls, OH (a Cleveland suburb) to... the Philippines. Stonesifer still smiles at how quickly the Herbein team was able to integrate a new office with a dozen team members halfway around the world. "Opening our first international office was a milestone for our firm. We have always been adamant in having only Herbein team members provide client services. We're making it clear that this is not an outsourced operation. These are full-time Herbein team members who have allowed us to in essence provide round-the-clock services," Stonesifer said.

While the firm has embraced its new international outpost, Herbein remains focused on working with local businesses, organizations, and community leaders. Its expansion throughout the Tri-County region began with the acquisitions of Pottstown-based Michael Cross & Company in 2017. In January 2022, Herbein acquired Pottstown-based Cappelletti, Pinter & Company, P.C., and Royersford-based The LaMastra Group, P.C. "Having Mike Cross, Carl LaMastra, and Matt Cappelletti join our team has been incredible. In today's accounting environment, it's not unusual for firms to 'clean-house' when they bring in another firm. Keeping their talent and experience is a key part of every deal, and we were thrilled that their entire teams have joined us," commented Stonesifer.

Herbein Tri-County Leaders Position Clients for Success

Michael L. Cross, CPA notes, "I've always had great respect for the Herbein team. When I was seeking to partner with a larger firm which could offer more resources to my clients, Herbein was the first call I made. While my office has always been in greater Pottstown, my career has taken me throughout the region. When **Cynthia R. Smith, CPA** and I joined Herbein, we've been able to focus on more advisory work that is beneficial to our clients." One of Cross' areas of specialization is helping to guide generational transition within family businesses. "We've been able to take companies from

first to second generation leadership, and now we've been helping the second transfer to the third." Cross is currently helping a client transition to their fourth generation of leadership. "I get very excited in knowing that I'm helping a company – and a family – position themselves for long-term success." Adds Smith, "It's so important to maintain an open line of communication with our clients, reach out to them frequently, and respond to calls timely and honestly. This goes a long way in building a strong and lasting relationship."

When **Matthew Cappelletti, Jr., CPA** and his five-member team sought potential merger candidates, his relationship with Cross was already established.



Michelle Allinson, Carl LaMastra, and Becky LaMastra



Michele Burkins and Mike Cross

"Most businesspeople in the Tri-County region know Mike well, and he had great things to say about the Herbein team," Cappelletti said. The Cappelletti office was more strategically visible with its High Street location, so it made sense for the two Pottstown offices to consolidate into the larger, more high-profile location. "Having the team from Charlotte Street join us this year has been energizing. We've updated the office's technology, and we have a great comradery," stated Cappelletti. Adds **Lori M. Bowen, CPA**, "As with any merger of offices there are bumps in the road. But we see it as a growing opportunity for all of us and in the end, it will benefit our clients."

The third piece of Herbein's commitment to the Tri-County region was the

acquisition of The LaMastra Group. **Carl A. LaMastra, CPA, MST** was a former Herbein team member joining the firm in 1988 after relocating from New Jersey. He subsequently branched out on his own for 27 years, growing and cultivating expansive business, individual and professional relationships in the area. LaMastra is active in the community and provides accounting, tax, and consulting services to businesses and individuals with the principle that "mediocrity is not an option". "When it became evident that joining a larger firm would be beneficial for me, my team members, and our clients, Herbein was a natural fit," stated LaMastra. LaMastra will serve as Tri-County Partner-in-Charge.

(Continued on page 8)

(Continued from page 7)

Growth and Quality: A Perfect Combination at Herbein

Herbein conducts a third-party client satisfaction survey each year through ClearlyRated, one of the country's leading client survey and award program firms. Beginning with its first survey in 2017, Herbein has earned a Best of Accounting – Client Satisfaction honor for being among the industry's best using a Net Promoter Score (NPS) system, a widely used market research metric that asks respondents to rate the likelihood that they would recommend a company to a friend or business associate. The industry's average NPS is 39.0 percent, while Herbein's score is 86.7 percent.

"Client satisfaction is definitely a two-way conversation," said Stonesifer. Each year, as part of the satisfaction survey, clients are asked about their most significant issues in the upcoming year. Even pre-pandemic, human resources was always among the top concerns. "Hearing how personnel issues affected our clients was a real eye-opener. We

knew that our clients needed more than tax and accounting from us," noted Stonesifer.

Tax is always near the top of the list of client concerns. "My favorite thing about

tax work is doing tax research. It's very satisfying when someone presents a tax question to me, and I can present them with a solution," says **Michele D. Burkins, CPA, MST**. Adds **Taren L. Patten, CPA**, "The main issues facing our clients in the Tri-County area mirror those issues faced by companies nationwide. Businesses are navigating their way through changes due to the pandemic and current economic conditions," states Patten.

The Right Services at the Right Time

Before the pandemic, Stonesifer connected with **Chester Mosteller** of Mosteller and Associates, one of the leading human resources consulting organizations in the region. Discussion turned to working together, and eventually the firms co-hosted a webinar on pandemic-related HR issues. "It might have been easy to hire one or two HR consultants, but we saw the demand was strong. We officially acquired Mosteller & Associates (now known as *Herbein / Mosteller HR Consulting*) in 2021 which demonstrated our commitment by adding 25 HR specialists in all aspects of human resources, including recruiting, retention, interim roles, and more." Said Cross, "Working with the Herbein / Mosteller team has helped our clients. They bring an expertise that not many possess, and it's reassuring to have such a resource available."

Right now, Herbein is soft launching a

new entity called *Herbein Financial Group*. "We've partnered with **Josh Laychock, AIF** of Northeast Financial Group, Inc. on a strategic joint venture to provide wealth advisory services. Aligning with third-party providers has not been unusual within the accounting industry, but we feel like we are doing something new and special with Herbein Financial Group," said Stonesifer.

Most recently, Herbein acquired Watterson and Associates, an Ohio-based occupational psychology organization that helps large and small organizations evaluate hiring practices and provides coaching and development services. "Given the current hiring environment, we felt that offering a service line based on proven, proprietary methodologies will be beneficial for those companies that really need to ensure that their hiring process is effective," stated Stonesifer.

Rounding out the Herbein Family of Companies is *Herbein / FOS Risk Management* (formerly Financial Outsourcing Solutions) which provides internal audit, cybersecurity and information technology, and financial institution regulatory compliance. "When Herbein joined FOS in 2013, they were strictly working in the financial institution industry. As they grew, they evolved. Today, our team provides risk management services across all industries. The team has been highly motivated to take their work beyond the banking industry, and they have really been helpful to so many firm clients," stated Stonesifer.

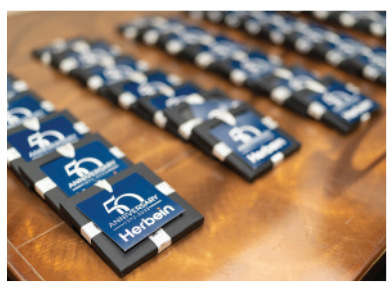


Herbein / Mosteller HR Consulting: Laurel Cline, Scott Smith, Karen DiGioia, Chet Mosteller, and Lori Gliva.



Herbein / FOS Risk Management Partners: Jeff Johns, Tom Strause, and Debbi Fetter.

PHOTOS PROVIDED BY HERBEIN



Herbein's Tri-County Team: *Entrepreneurs Committed to Helping the Region's Entrepreneurs*

Led by LaMastra, Cross, and Cappelletti, Herbein's Tri-County team provides a full range of professional services to organizations throughout Greater Montgomery County. "Mike, Carl, and Matt are entrepreneurs at heart, and that spirit is evident not only to our clients, but also to their team members," said Stonesifer.

LaMastra echoed Stonesifer's sentiments. "The advantages of working with a larger firm has been refreshing. I thrive on helping our clients grow their businesses, and now we can take a holistic stance that will help them today and into the future. Mike, Matt, and I share the same values – we want to make an impact for our clients, our team members, and our communities. When your team is firing on all cylinders, the ideas keep flowing and clients benefit."

The COVID-19 pandemic presented challenges, but the Herbein team was able to help clients adapt. "Many of our clients were considered essential, but that didn't make the past few years any easier. We immediately set up educational webinars and reached out to our clients at the beginning of the shutdown, and we were able to guide them through the Payroll Protection Program, the Employee Retention Credit, and more. If anything, our client relationships grew deeper during the past few years, and that's a testament to our dedication to doing the right things, all the time," stated Cross.

Cappelletti agreed: "With nearly two years of pandemic behind us, we were looking for an opportunity to add more resources to our team, as well as more ways to help our clients face both the challenges and opportunities created by this historically unusual environment," he said.

One outcome of the pandemic was the blurring of geographical constraints. "In the past, it was much more essential to have our team members physically out at clients. The pandemic changed that, but our team is still committed to working with clients at their preference – remotely, on-site, or some hybrid mix. This flexibility allows us to meet every client need, but it also affords the opportunity for team



Dave Stonesifer Herbein Managing Partner, Joe Witkowski Herbein CFO, and Josh Laychock of Herbein Financial Advisors at one of the four Herbein 50th anniversary events for clients, team members, and friends of the firm. In total, over 600 people attended these events.

members like **Corey S. Robinson, CVA** and **Jeanettee M. Hassis, CPA** to balance client and personal responsibilities. "I enjoy being able to visit with our clients, and it's nice to know that our work set-up – especially using our incredible technology capabilities – allows me to take family into consideration when setting my schedule," says Robinson. In addition to on-site client visits, Herbein's participation in local business events has not slowed down. Adds Hassis, "I enjoy attending events with the Tri-County Chamber in-person and virtually. Our use of technology and firm culture provide me the flexibility to balance my personal and professional responsibilities."

Some Things Will Never Change

The additions of Cross, LaMastra, and Cappelletti have been successful, but that success was no shock. "While we are growing quickly, we are committed to maintaining our culture and have always been very strategic about who we invite to join our team," said Herbein CFO **Joseph W. Witkowski, CPA**. "We are known across our communities as one of the region's most innovative accounting, tax and business consulting firms, and we don't want to jeopardize our reputation with any short-sighted mergers."

The Final Word

When Stonesifer is asked for a final thought to pull it all together, he doesn't hesitate. "Beyond the obvious advantages of growth for our clients, growth is also imperative to our firm. Our team members thrive when they go beyond the numbers and help clients in all aspects of their businesses. The more they do that, the better they are to help the next client." Growth also creates opportunities. "During our 50th anniversary, we established a program to donate \$50,000 in grants to five nonprofits – over and above what we usually do. Response for the program was so overwhelming that we decided to donate to all organizations that applied. This increased the program budget by over 50%, and that doesn't happen unless the firm is successful. We also just welcomed our largest partner class ever at the firm. We added five new partners who are each client, team, and community focused, so the future is bright at Herbein."

Herbein
CPAs + Advisors

Editor's Note: Herbein Financial Group is a Registered Investment Advisor registered with the Securities Exchange Commission. Herbein Financial Group or its advisors are not authorized to practice law or provide legal, tax or accounting advice. All advisory services are provided through a joint venture between Herbein Financial Group, LLC and Northeast Financial Group, Inc. Investment advice is provided primarily through Northeast Financial Group, Inc. The two firms are under common control. Securities offered through Leigh Baldwin & Co., LLC.



Herbein donated \$25,000 to Mary's Shelter as part of the 50 for 50 Program which awarded over \$75,000 to nonprofits in honor of Herbein's 50th anniversary. This program drew submissions from over 90 nonprofit organizations.